

Public Notice of Application for Permit

Regulatory Branch (1145b) 3437 Airport Way Suite 206 Fairbanks, Alaska 99709-4777

PUBLIC NOTICE DATE: May 2, 2006

EXPIRATION DATE: June 1, 2006

REFERENCE NUMBER: POA-2005-695-4

WATERWAY NUMBER: Cleary Creek

Interested parties are hereby notified that an application has been received for a Department of the Army permit for certain work in waters of the United States as described below and shown on the attached plan.

<u>APPLICANT</u>: Earth Movers of Fairbanks, Inc., 925 Aurora Drive, Fairbanks, Alaska 99709.

AGENT: Mr. Jeff Keener, Post Office Box 82811, Fairbanks, Alaska 99708.

LOCATION: Sections 11 and 12, T. 3 North, R. 1 East, Fairbanks Meridian, Latitude 64.105° N., Longitude -147.465° W, near Chatanika, Alaska.

WORK: The applicant proposes to conduct a multi year placer mining operation starting in 2006 and ending in 2008. A total of approximately 24 acres of wetlands would be mechanically cleared and 420,000 cubic yards of material would be stockpiled and processed. All work would be completed in accordance with the attached plans, sheets 1-9, dated 02/23/2006.

PURPOSE: Multi year placer mining operation.

ADDITIONAL INFORMATION: The applicant is currently authorized under Department of the Army general permit (GP) 88-02P, Placer Mining Activities within the State of Alaska. In 2005 a total of 5.0 acres of wetlands were disturbed. The applicant proposes to stockpile and process approximately 160,000 cubic yards of material disturbing 4.6 acres of wetlands, in 2006. In 2007 another 160,000 cubic yards of material would be stockpiled and processed resulting in an additional 6.3 acres of wetland disturbance. In 2008, an additional 8.1 acres of wetlands would be disturbed and approximately 100,000 cubic yards of material would be stockpiled and processed (see sheets 1-3 for specific information). A total of 24 acres of wetlands would be disturbed by this project. All disturbances would be reclaimed by the end of 2008 (sheets 8 and 9).

WATER QUALITY CERTIFICATION: A permit for the described work will not be issued until a certification or waiver of certification as required under Section 401 of the Clean Water Act (Public Law 95-217), has been received from the Alaska Department of Environmental Conservation.

<u>PUBLIC HEARING</u>: Any person may request, in writing, within the comment period specified in this notice, that a public hearing be held to consider this application. Requests for public hearings shall state, with particularity, reasons for holding a public hearing.

CULTURAL RESOURCES: The latest published version of the Alaska Heritage Resources Survey (AHRS) has been consulted for the presence or absence of historic properties, including those listed in or eligible for inclusion in the National Register of Historic Places. There are registered or eligible properties in the vicinity of the worksite. They have been designated LIV-00236, LIV-00117, LIV-00074, and LIV-00075. Because it has been determined to be outside of the project area, no further action is required. Consultation of the AHRS constitutes the extent of cultural resource investigations by the District Engineer at this time. Any comments SHPO may have concerning presently unknown archeological or historic data that may be lost or destroyed by work under the requested permit will be considered in our final assessment of the described work.

TRIBAL CONSULTATION: The Alaska District fully supports tribal self-governance and government-to-government relations between the Federal government and Federally recognized Tribes. This notice invites participation by agencies, Tribes, and members of the public in the Federal decision-making process. In addition, Tribes with protected rights or resources that could be significantly affected by a proposed Federal action (e.g., a permit decision) have the right to consult with the Alaska District on a government-to-government basis. Views of each Tribe regarding protected rights and resources will be accorded due consideration in this process. This Public Notice serves as notification to the Tribes within the area potentially affected by the proposed work and invites their participation in the Federal decision-making process regarding the protected Tribal right or resource. Consultation may be initiated by the affected Tribe upon written request to the District Engineer during the public comment period.

ENDANGERED SPECIES: No threatened or endangered species are known to use the project area. Preliminarily, the described activity will not affect threatened or endangered species, or their critical habitat designated as endangered or threatened, under the Endangered Species Act of 1973 (87 Stat. 844). This application is being coordinated with the U.S. Fish and Wildlife Service and the National Marine Fisheries Service. Any comments they may have concerning endangered or threatened wildlife or plants or their critical habitat will be considered in our final assessment of the described work.

ESSENTIAL FISH HABITAT: The proposed work is being evaluated for possible effects to Essential Fish Habitat (EFH) pursuant to the Magnuson Stevens Fishery Conservation and Management Act of 1996 (MSFCMA), 16 U.S.C. et seq and associated federal regulations found at 50 CFR 600 Subpart K. The Alaska District includes areas of EFH as Fishery Management Plans. We have reviewed the January 20, 1999, North Pacific Fishery Management Council's Environmental Assessment to locate EFH area as identified by the National Marine Fisheries Service (NMFS).

We have determined that the described activity within the proposed area will not adversely affect EFH, including anadromous fish and federally managed fishery resources.

SPECIAL AREA DESIGNATION: None.

EVALUATION: The decision whether to issue a permit will be based on an evaluation of the probable impacts including cumulative impacts of the proposed activity and its intended use on the public interest. Evaluation of the probable impacts, which the proposed activity may have on the public interest, requires a careful weighing of all the factors that become relevant in each particular case. The

benefits, which reasonably may be expected to accrue from the proposal, must be balanced against its reasonably foreseeable detriments. The decision whether to authorize a proposal, and if so, the conditions under which it will be allowed to occur, are therefore determined by the outcome of the general balancing process. That decision should reflect the national concern for both protection and utilization of important resources. All factors, which may be relevant to the proposal, must be considered including the cumulative effects thereof. Among those are conservation, economics, aesthetics, general environmental concerns, wetlands, cultural values, fish and wildlife values, flood hazards, floodplain values, land use, navigation, shore erosion and accretion, recreation, water supply and conservation, water quality, energy needs, safety, food and fiber production, mineral needs, considerations of property ownership, and, in general, the needs and welfare of the people. For activities involving 404 discharges, a permit will be denied if the discharge that would be authorized by such permit would not comply with the Environmental Protection Agency's 404(b)(1) guidelines. Subject to the preceding sentence and any other applicable guidelines or criteria (see Sections 320.2 and 320.3), a permit will be granted unless the District Engineer determines that it would be contrary to the public interest.

The Corps of Engineers is soliciting comments from the public; Federal, State, and local agencies and officials; Indian Tribes; and other interested parties in order to consider and evaluate the impacts of this proposed activity. Any comments received will be considered by the Corps of Engineers to determine whether to issue, modify, condition or deny a permit for this proposal. To make this decision, comments are used to assess impacts on endangered species, historic properties, water quality, general environmental effects, and the other public interest factors listed above. Comments are used in the preparation of an Environmental Assessment and/or an Environmental Impact Statement pursuant to the National Environmental Policy Act. Comments are also used to determine the need for a public hearing and to determine the overall public interest of the proposed activity.

Comments on the described work, with the reference number, should reach this office no later than the expiration date of this Public Notice to become part of the record and be considered in the decision. Please contact Benjamin Soiseth at the Fairbanks Field Office, 907-474-2166, or by email at Benjamin.N.Soiseth@poa02.usace.army.mil if further information is desired concerning this notice.

AUTHORITY: This permit will be issued or denied under the following authorities:

(X) Discharge dredged or fill material into waters of the United States - Section 404 Clean Water Act (33 U.S.C. 1344). Therefore, our public interest review will consider the guidelines set forth under Section 404(b) of the Clean Water Act (40 CFR 230).

A plan and Notice of Application for State Water Quality Certification are attached to this Public Notice.

District Engineer U.S. Army, Corps of Engineers

Attachments

FRANK H. MURKOWSKI, GOVERNOR

STATE OF ALASKA

OFFICE OF THE GOVERNOR

DEPT. OF ENVIRONMENTAL CONSERVATION

DIVISION OF WATER

Non-Point Source Water Pollution Control Program 401 Certification Program

NOTICE OF APPLICATION FOR STATE WATER QUALITY CERTIFICATION

Any applicant for a federal license or permit to conduct an activity that might result in a discharge into navigable waters, in accordance with Section 401 of the Clean Water Act of 1977 (PL95-217), also must apply for and obtain certification from the Alaska Department of Environmental Conservation that the discharge will comply with the Clean Water Act, the Alaska Water Quality Standards, and other applicable State laws. By agreement between the U.S. Army Corps of Engineers and the Department of Environmental Conservation, application for a Department of the Army permit to discharge dredged or fill material into navigable waters under Section 404 of the Clean Water Act also may serve as application for State Water Quality Certification.

Notice is hereby given that the application for a Department of the Army Permit described in the Corps of Engineers' Public Notice No.

POA 2005 695 4, Cleary Creek serves as application for a short-term variance of State Water Quality Certification from the Department of Environmental Conservation, as provided in Section 401 of the Clean Water Act of 1977 (PL 95-217).

The Department will review the proposed activity to ensure that, except for an allowed, short-term variance, any discharge to waters of the United States resulting from the referenced project will comply with the Clean Water Act of 1977 (PL95-217), the Alaska Water Quality Standards, and other applicable State laws. The Department also may deny or waive certification.

Any person desiring to comment on the project with respect to Water Quality Certification may submit written comments within 30 days of the date of the Corps of Engineer's Public Notice to:

Department of Environmental Conservation WQM/401 Certification 555 Cordova Street Anchorage, Alaska 99501-2617 Telephone: (907) 269-7564 FAX: (907) 269-7508

EARTH MOVERS OF FAIRBANKS, INC.

LOWER CLEARY CREEK PLACER MINE MULTI-YEAR 2006 - 2008 PLAN OF OPERATIONS LIVENGOOD (A-1)... N65-6.42, W147-28.72 APMA F-069818 US-COE-2005-695-US-EPA-AKG-37-0684 23 FEBRUARY 2006

Introduction:

In 2005, Earth Movers of Fairbanks, Inc. executed a lease on mining claims owned by John and Ramona Reeves and located on lower Cleary Creek, in the Fairbanks Mining District. During 2005, Earth Movers conducted exploration and mining activities by drilling 80 holes (0.05 ac.), permanently placing Cleary Creek into an existing channel (0.3 ac.), and mining one cut (1.7 ac.) and preparing a second cut (1.4 ac.) on patented mining claims. Organic overburden removed from the two cuts is stockpiled along the left-limit of the mine pit (1.9 ac.), whereas, gravel overburden was spread over dredge tailings (1.9 ac.), thereby reclaiming the older dredge workings. Currently there are 5.0 acres of un-reclaimed ground. Access to the claims is by way of the Steese Highway and gated, private roads.

In 2006, Earth Movers proposes to mine the prepared cut (2006 Cut #1), a successive cut (2006 Cut #2), and a smaller cut on the Cleary Bench (2006 Bench Cut #1). The total disturbance for this activity is estimated to be 9.8 acres. If the results of mining in 2006 are satisfactory, Earth Movers desires to prepare three more cuts by removing overburden in the autumn of 2006 and processing them in 2007 (additional 6.5 ac.). In 2008, it is planned to mine three successive cuts on the Cleary Bench (additional 7.5 ac.). If possible, Earth Movers will begin reclamation of the 2007 mine cuts and overburden stockpiles in the autumn of 2007. Reclamation of all planned disturbances (23.8 ac.) will be complete by the end of 2008.

Placer Deposits:

The placer deposits marginal to the older dredge workings are from 125 feet wide to 250 feet wide. A typical stratigraphic section is about 12 feet of organic and silt overburden, overlying an average of 15 feet of gravel, including 2 to 3 feet of slate or weathered schist bedrock. From 5 to 6 feet of the upper gravel is barren overburden and removed before sluicing. These placers are frozen, except it is thawed along the edge of the old dredge cut. The surface has been historically, disturbed by grubbing vegetation in preparation for dredging.

The placer deposits found on Cleary Bench are not as well known and have only been explored by pan-sampling old workings. Where exposed, there is about 2 to 4 feet of organic overburden, overlying about 6 feet of sandy colluvium, which overlies about 4 feet of coarse alluvial gravel. Bedrock is deeply weathered muscovite schist. The minable width and length of the Cleary Bench placer is not known. The bench appears to be thawed and is vegetated with birch and poplar trees or upland habitat.

Mining Process:

Organic overburden is dozed into a stockpile (~75 ft wide) along the left-limit, or south side of the prospective mine cuts. These stockpiles are reserved for future reclamation of the mine cuts and other disturbed areas. Gravel overburden is dozed to the right-limit of the cuts is spread and graded over bare mine tailings, thereby reclaiming the older dredge workings. On the Cleary Bench, the organic overburden is removed in the same manner and stockpiled (~50 ft wide), whereas the gravel overburden is dozed to the right-limit to create a level work-pad (~75 ft wide), on which the washplant can be installed. Previously mined cuts are converted to settling ponds. Pay gravel is dozed to the washplant, where it is fed into the plant with an excavator. Fine tailings are sluiced into a settling pond and coarse tailings are spread over fine tailings. Process water is recycled 100% with zero discharge to Cleary Creek. Make-up water is taken from a large dredge pond at a rate of ~50,000 gallons per day.

Reclamation Process:

Mine cuts and ponds are reclaimed by sloping the banks and contouring with gravel overburden and washed tailings. The reserved organic overburden is then spread over the gravel surfaces to promote rapid, natural re-vegetation. Low spots are constructed that will contain surface water flow to create seasonal ponds, which will help promote re-vegetation and habitat for birds and other animals. The private lands will be reclaimed in a fashion that will enhance the re-sale value of the property, whereas, state lands will be reclaimed to provide enhanced habitat value.

Reclamation Bonding:

Earth Movers posted a reclamation bond in 2005 for 10 acres and will renew the bond for the full 10 acres with this APMA. If Earth Movers decides to continue mining in 2007 according to this plan, the bond will be renewed and increased for 7 new acres, or 16 total acres. Finally, if it is decided to complete the mining as planned in 2008, the bond will be renewed and adjusted for 9 additional acres, giving a maximum disturbance of 24 acres. If possible, Earth Movers will conduct reclamation of approximately 6 acres in 2007 and complete all reclamation by the end of 2008.

2006 Disturbance

New 2006 disturbance.....

2006 Cut #1 ... remove \sim 30,000 cy silt & gravel overburden & spread over old tailings, process \sim 25,000 cy pay gravel, tailings are contained within Pond #1;

Convert Cut #1 into Pond #2;

2006 Cut #2 ... 600'l x 125'w x 25'd \rightarrow 1.7 ac;

Cut #2 organic overburden stockpile, ~17,000 cy.... 600'l x 75'w x 15'h → 1.0 ac; Cut #2 silt & gravel overburden, ~30,000 cy spread over old tailings, process ~30,000 cy of pay gravel, tailings contained within Pond #2:

Bench Cut #1 $300'1 \times 150'w \times 15'd \rightarrow 1.0 ac$;

B-Cut #1 organic overburden stockpile, ~7,000 cy $300^{\circ}1 \times 50^{\circ}w \times 15^{\circ}h \rightarrow 0.4$ ac; B-Cut #1 gravel overburden stockpile, ~10,000 cy $300^{\circ}1 \times 75^{\circ}w \times 15^{\circ}h \rightarrow 0.5$ ac; Process ~10,000 cy of pay gravel, stockpiling coarse tailings within cut, fine tailings and effluent is captured in valley Cut#2;

Total new disturbance in 2006 is ~160,000 cy and 4.6 acres. Including currently, unreclaimed ground, the total proposed disturbance is 9.6 acres (bond for 10 ac.).

2007 Disturbance

Remove overburden from mine pit measuring ... 1200'l x ~ 150 'w x 25'd $\rightarrow 4.2$ ac; Stockpile organic overburden, $\sim 30,000$ cy ... 1,200'l x 75'w x 15'h $\rightarrow 2.1$ ac; Spread $\sim 65,000$ cy gravel overburden and reclaim old tailings; Process $\sim 65,000$ cy pay gravel, backfilling previous cuts; Total additional disturbance is $\sim 160,000$ cy and 6.3 acres. Cumulative surface disturbance is 15.9 acres (bond for 16 ac.). Possibly reclaim 6.3 acres by end of 2007.

2008 Disturbance

Remove overburden from mine pit measuring ... $1200'1 \times \sim 150'w \times 15'd \rightarrow 4.2$ ac; Stockpile organic overburden, $\sim 20,000$ cy ... $1,200'1 \times 50'w \times 15'h \rightarrow 1.8$ ac; Stockpile gravel overburden, $\sim 40,000$ cy ... $1,200'1 \times 75'w \times 15'h \rightarrow 2.1$ ac; Process $\sim 40,000$ cy of pay gravel, backfilling previous cuts; Total additional disturbance is $\sim 100,000$ cy and 8.1 acres. Cumulative surface disturbance is 17.9 to 24.0 acres (bond accordingly). Reclaim all disturbances by end of 2008.

EARTH MOVERS OF FAIRBANKS, INC. APMA F-0498/8 LOWER CLEARY CREEK PLACER MINE

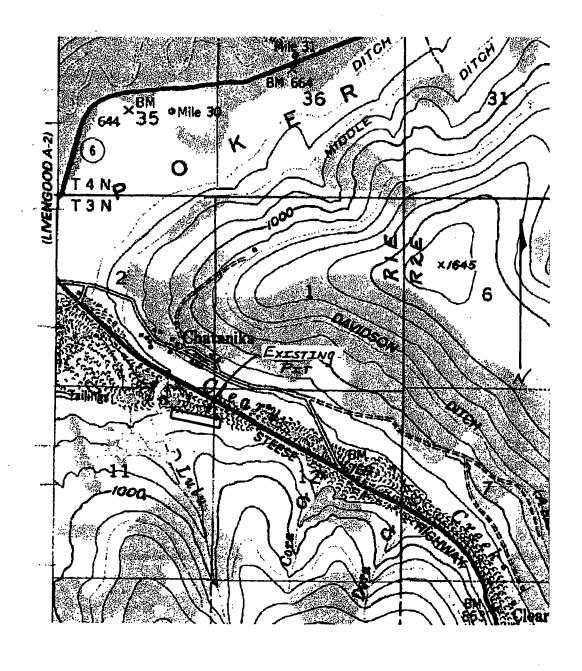
23 FEB. 2006

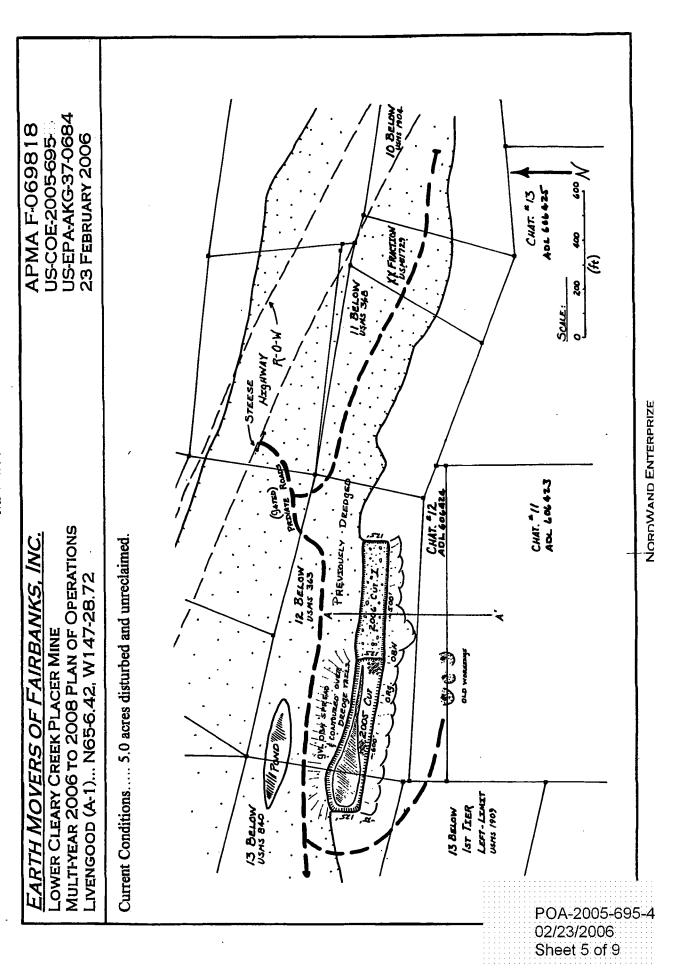
LIVENGOOD (A-1)

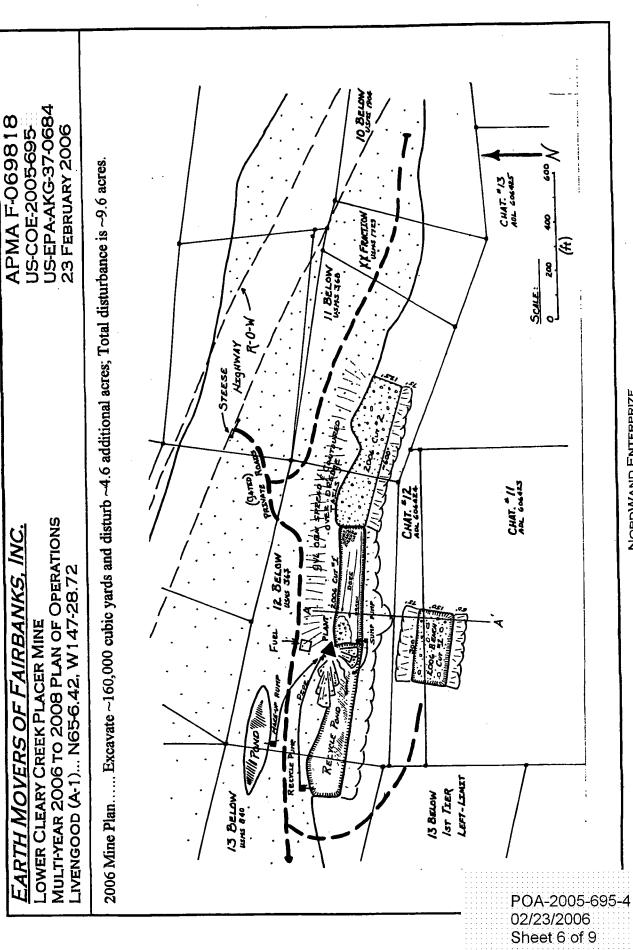
N65°-6.42', W147°-28.72'

Project Location and Access....

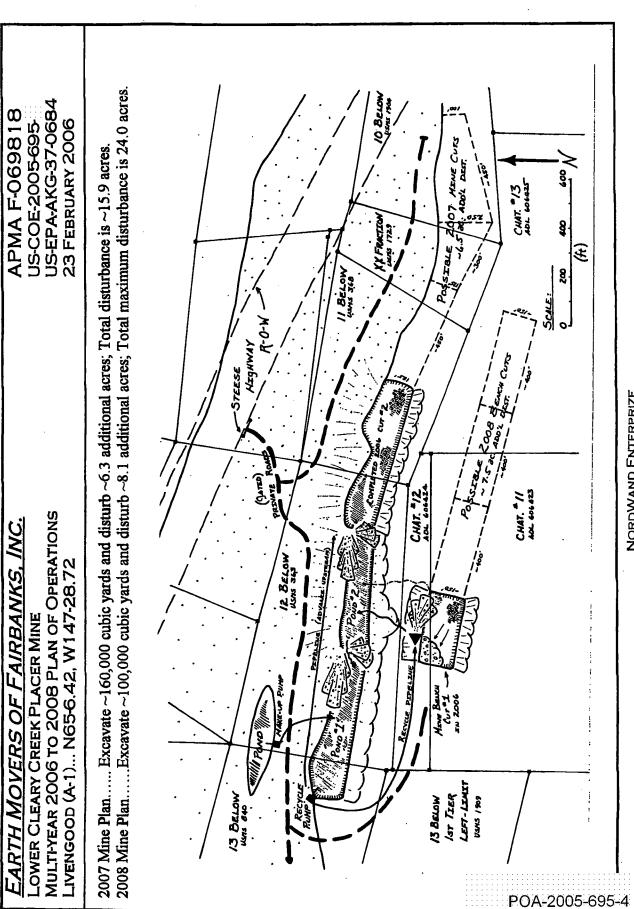
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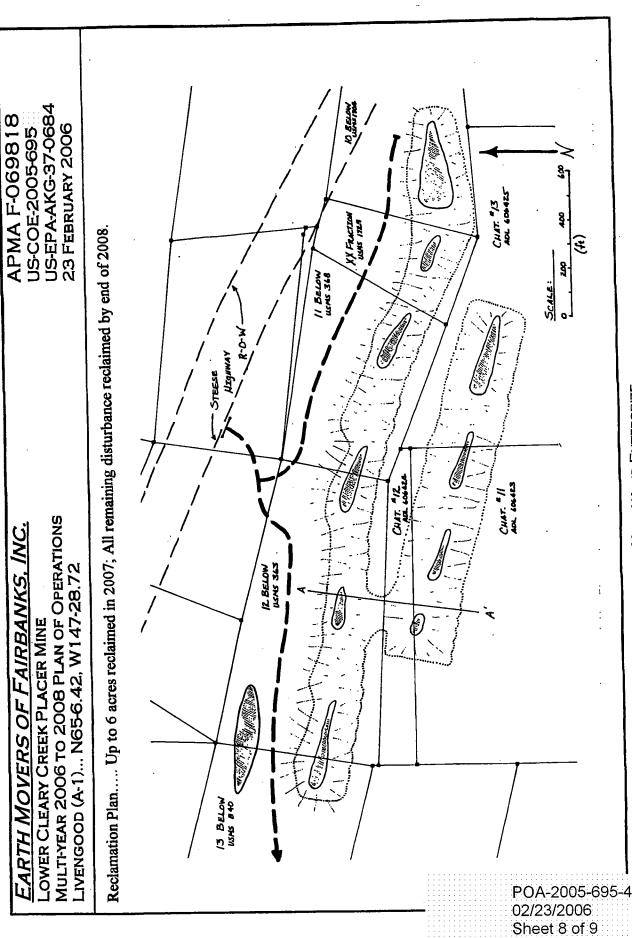


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NORDWAND ENTERPRIZE

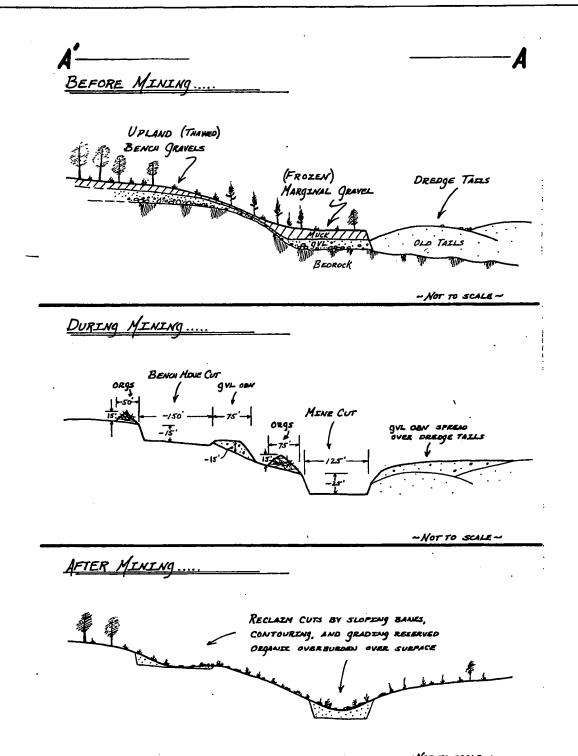
02/23/2006 Sheet 7 of 9



NORDWAND ENTERPRIZE

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~ NOT TO SCALE ~